# GOVERNMENT OF INDIA
# COMMERCE AND INDUSTRY
# LOK SABHA

UNSTARRED QUESTION NO:4311
ANSWERED ON:15.12.2000
OBJECTIVES OF GROWTH CENTRES
RAMJI MANJHI

**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

(a) whether objective of New Growth Centre Scheme was to promoteindustrialisation in backward areas of the country by development of Industrial Growth Centre but the objective remained unfulfilled formore than 10 years after the introduction of the Scheme;

(b) if so, the reasons therefor; and

(c) the steps taken to ensure success of the scheme?

## Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a) to (c) : It is a fact that the objective of the Growth Centre Scheme is to createbasic infrastructure in backward areas through Growth Centres to enable states to attract industries in these areas. Growth centres are infrastructure development projects. This involves land acquisition which is a statutary quasi judicial time consuming process and land development, which includes development of plots, roads, water supply, drainage etc. These are long gestation. The Central Government acts as a facilitator and contributes Rs.10 crore per Growth Centre (Rs.15 crore in the case of Growth Centres in the North Eastern States) by way of equity. The projects are implemented by State Governments and their agencies who are also responsible to raise the balance funds for the project. Being long gestation projects wherein State Governments are the principal stake holders, time targets for their completion cannot be centrally dictated.

The Scheme is an ongoing Schemecarried over to the Ninth Planafter a careful Plan Review. 68 growth centres have been sanctioned and 27 have begun functioning as industrial plot allotments have commenced at these centres. Other growth centres are also at various stages of development. An investment of Rs.7891 crore and creation of 25115 employment opportunities at the Growth Centres are indicators that the Scheme has begun to yield results.